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Attorneys for Plaintiff  
United States of America

IN THE UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,  
  
Plaintiff,  
  
v.  
  
GABRIELLA SANTIBANEZ and  
LISA HAZARD  
  
Defendants.

CASE NO. 2:22-cr-0235 WBS

I N F O R M A T I O N

COUNT ONE: [18 U.S.C. § 371 – Conspiracy to Commit Health Care Fraud in Violation of 18 U.S.C. § 1347]

The United States Attorney charges:

GABRIELLA SANTIBANEZ AND LISA HAZARD,  
defendants herein, as follows:

1. At all times relevant to Count One, GABRIELLA SANTIBANEZ and LISA HAZARD owned and operated PhlebXpress, Inc., a company that sought reimbursements from Medicare for services and for the purported mileage of phlebotomists who supposedly performed some of those services. Medicare was a federal health insurance program for people 65 or older.

2. Beginning on a date unknown, but not later than approximately January 1, 2015, and continuing through at least December 1, 2020, in the County of Sacramento in the State and Eastern

1 District of California and elsewhere, defendants did willfully and knowingly conspire, confederate and  
2 agree with each other and others, known and unknown to the United States Attorney, to commit certain  
3 offenses against the United States, that is:

4 a. to violate Title 18, United States Code, Section 1347 by knowingly and willfully with the  
5 intent to defraud participating in and executing a material scheme and artifice to (1)  
6 defraud a health care benefit program, as defined in Title 18, United States Code, Section  
7 24(b), to wit Medicare, and (2) to obtain, by means of materially false and fraudulent  
8 pretenses, representations and promises, money owned by and under the custody and  
9 control of Medicare, all in connection with the delivery of and payment for health care  
10 benefits, items, and services, in violation of Title 18, United States Code, Section 1347,  
11 all in violation of Title 18 United States Code, Section 371.

12 3. It was a part of the conspiracy that GABRIELLA SANTIBANEZ, LISA HAZARD, and  
13 others working with them and at their direction and control sought reimbursement from Medicare for  
14 procedures that GABRIELLA SANTIBANEZ and LISA HAZARD knew were not reimbursable by  
15 Medicare, including but not limited to fingerstick blood testing and urine pickups, through the use of  
16 materially false and fraudulent pretenses, representations and promises regarding the services  
17 supposedly provided to Medicare insureds. It was further a part of the conspiracy that GABRIELLA  
18 SANTIBANEZ, LISA HAZARD, and others working with them and at their direction and control  
19 falsely inflated the mileage supposedly driven by phlebotomists to provide services to Medicare insureds  
20 in order to increase the money that Medicare paid PhlebXpress, including by means of materially false  
21 and fraudulent pretenses and representations regarding the number of miles driven.

22 4. In furtherance of the conspiracy, and to accomplish its purposes and objects, at least one  
23 of the conspirators committed, or caused to be committed, in the Eastern District of California the  
24 following overt acts, among others:

25 a. In June of 2020, GABRIELLA SANTIBANEZ and LISA HAZARD in Sacramento  
26 conducted training of employees on how to provide blood testing to Medicare patients by  
27 pricking their fingers, which is not a reimbursable service by Medicare, rather than  
28 drawing patients' blood through a vein in their arms for testing at a laboratory, which is a

reimbursable service by Medicare, so that GABRIELLA SANTIBANEZ and LISA HAZARD could and would falsely bill Medicare for this fingerstick testing service as a venipuncture blood draw and accompanying mileage costs;

- b. From 2015 through 2020, GABRIELLA SANTIBANEZ and LISA HAZARD in Sacramento and elsewhere directly instructed phlebotomists under their employ to provide the fingerstick blood testing to Medicare patients and to pick up urine samples from Medicare patients, both of which were not reimbursable services, so that they could falsely bill Medicare for venipuncture blood draws and accompanying mileage costs;
- c. From 2015 through 2020, GABRIELLA SANTIBANEZ and LISA HAZARD in Sacramento and elsewhere directly instructed phlebotomists under their employ to provide services to Medicare patients so they could overbill for the mileage driven by the phlebotomists by making false statements to Medicare about the number of miles billed by phlebotomists; and
- d. In 2018, Hazard in Sacramento told one of her employees that if asked the employee should misrepresent that fingerstick testing conducted by phlebotomists were venipuncture venal blood draws.

All in violation of Title 18 United States Code, Section 371.

COUNT TWO: [18 U.S.C. § 371 – Conspiracy to Commit Health Care Fraud in Violation of 18 U.S.C. § 1347]

The United States Attorney further charges:

GABRIELLA SANTIBANEZ and LISA HAZARD,  
defendants herein, as follows:

- 1. At all times relevant to Count Two, defendants GABRIELLA SANTIBANEZ and LISA HAZARD, and Co-conspirator 3 operated Phlebotomy Solutions, a company that also sought reimbursements from Medicare for various services and for the purported mileage of phlebotomists who supposedly performed some of those services. Among other things, defendants and Co-conspirator 3 created Phlebotomy Solutions to continue the fraudulent PhlebXpress business model several months after Medicare had instituted a payment suspension on PhlebXpress in or about November 2020.



1           2.       Beginning on a date unknown, but not later than approximately July 1, 2021, and  
2 continuing up to at least December 31, 2021, in the County of Sacramento in the State and Eastern  
3 District of California and elsewhere, defendants did willfully and knowingly conspire, confederate and  
4 agree with each other and others, known and unknown, to commit certain offenses against the United  
5 States, that is,

6           a.       to violate Title 18, United States Code, Section 1347 by knowingly and willfully with the  
7 intent to defraud participating in and executing a material scheme and artifice to (1)  
8 defraud a health care benefit program, as defined in Title 18, United States Code, Section  
9 24(b), to wit Medicare, and (2) to obtain, by means of materially false and fraudulent  
10 pretenses, representations and promises, money owned by and under the custody and  
11 control of Medicare, all in connection with the delivery of and payment for health care  
12 benefits, items, and services, in violation of Title 18, United States Code, Section 1347,  
13 all in violation of Title 18 United States Code, Section 371.

14           3.       It was a part of the conspiracy that the defendants and Co-conspirator 3 made and caused  
15 to be made materially false statements and representations to Medicare regarding who was actually  
16 providing the services, the ownership and control of Phlebotomy Solutions, and the purposes for its  
17 creation. It was further a part of the conspiracy that the defendants and Co-conspirator 3 and others  
18 working with them and at their direction and control sought reimbursement from Medicare for urine  
19 pickups that the defendants and Co-conspirator 3 knew were not reimbursable by Medicare, including  
20 by means of materially false and fraudulent pretenses and representations that the urine pickups were  
21 instead reimbursable venipuncture blood draws. It was also a part of the conspiracy that the defendants  
22 and Co-conspirator 3 and others working with them and at their direction and control falsely inflated the  
23 mileage supposedly driven by phlebotomists to provide services to Medicare insureds in order to  
24 increase the money that Medicare paid Phlebotomy Solutions, including by means of materially false  
25 and fraudulent pretenses and representations regarding the number of miles driven.

26           4.       In furtherance of the conspiracy, and to accomplish its purposes and objects, at least one  
27 of the conspirators committed, or caused to be committed, in the Eastern District of California the  
28 following overt acts, among others:

- a. In 2021, HAZARD contacted PhlebXpress Inc. phlebotomists in the Eastern District of California and elsewhere and directed them to provide services to Medicare patients under the Phlebotomy Solutions name rather than PhlebXpress;
- b. In 2021, GABRIELLA SANTIBANEZ AND HAZARD caused marketing to medical providers in the Eastern District of California and elsewhere representing that Phlebotomy Solutions could bill for services provided to Medicare patients;
- c. In 2021, defendants and Co-conspirator 3 in the Eastern District of California and elsewhere directly instructed phlebotomists under their employ to provide services to Medicare patients so they could overbill for the mileage driven by the phlebotomists by making false statements to Medicare about the number of miles billed by phlebotomists; and
- d. In 2021, defendants and Co-conspirator 3 in the Eastern District of California and elsewhere directly instructed phlebotomists under their employ to pick up urine samples from Medicare patients, which was not a reimbursable service, so that they could falsely bill Medicare for venipuncture blood draws and accompanying mileage costs.

All in violation of Title 18 United States Code, Section 371.

Dated: 11/28/22

PHILLIP A. TALBERT  
United States Attorney

By:

  
LEE S. Bickley  
Assistant United States Attorney

**United States v. Santibanez, et al.**  
**Penalties for Information**

**COUNT 1 (Gabriella Santibanez, Lisa Hazard):**

VIOLATION: 18 U.S.C. § 371 – Conspiracy to Commit Health Care Fraud in Violation of 18 U.S.C. § 1347

PENALTIES: A maximum of up to 5 years in prison; or  
Fine of up to \$250,000; or both fine and imprisonment  
Supervised release of at least 3 years up to life

SPECIAL ASSESSMENT: \$100 (mandatory on each count)

**COUNT 2 (Gabriella Santibanez, Lisa Hazard):**

VIOLATION: 18 U.S.C. § 371 – Conspiracy to Commit Health Care Fraud in Violation of 18 U.S.C. § 1347

PENALTIES: A maximum of up to 5 years in prison; or  
Fine of up to \$250,000; or both fine and imprisonment  
Supervised release of at least 3 years up to life

SPECIAL ASSESSMENT: \$100 (mandatory on each count)